

**SUBGRANT AGREEMENT FOR THE CONDUCT OF A  
EMERGENCY SOLUTIONS GRANT PROJECT & GENERAL FUNDS PROJECT  
between  
CITY of DURHAM  
and  
HOUSING FOR NEW HOPE INC.**

THIS SUBGRANT AGREEMENT is entered into and shall be effective as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between City of Durham (“Grantee”), a body corporate and politic of the State of North Carolina, (the “City”), and Housing for New Hope, Inc., a private nonprofit corporation licensed to do business in the State of North Carolina, 18 Colony Place, Suite 250 Durham, North Carolina, 27705, (the “Subrecipient”), Employer Identification Number: 58-2089068, & DUNS Number: 833118599.

**WHEREAS**, the Grantee desires to make available to the Subrecipient certain funds from the United States Emergency Solutions Grant (ESG) Program as proscribed under the McKinney-Vento Act of 1988 (Public Law 100-77), with said grant being made available through the U.S. Department of Housing and Urban Development (HUD) and being designated as grant numbers E-14-MC-37-0006 and City General Funds (GF) known as the “Grant”.

**WHEREAS** the Subrecipient has submitted an application for Emergency Solutions Grant Program funding that was approved by the Durham City Council as a part of the 2014-2015 Annual Action Plan on May 5, 2014 and for \$200,000.00 in general funds appropriated by the Durham City Council as a part of the FY 14-15 budget;

**WHEREAS**, the Subrecipient is being awarded Emergency Solutions Grant (ESG) funds and general funds by the Grantee for eligible activities as set forth in the ESG Interim Rule;

**WHEREAS**, the Subrecipient agrees to abide by each paragraph of this Contract and its attachments as a condition of its receiving the federal funds and general funds referenced above; and

**WHEREAS**, the Subrecipient further agrees that all activities conducted under the Contract shall be of a type authorized by the provisions of Part 8, Article 19 of Chapter 160A of the General Statutes of North Carolina, as amended by Chapter 206 of the Session of laws of 1987;

**NOW, THEREFORE**, in consideration of the mutual promises herein exchanged by and between the parties, it is agreed as follows:

RECITALS:

A. City of Durham has entered into a grant agreement with the United States Department of Housing and Urban Development (“HUD”) for financial assistance to conduct an Emergency Solutions Grant Program (the “ESG Program”) pursuant to Subtitle B of Title IV of the Stewart B. McKinney-Vento Homeless Assistance Act, 42 U.S.C. §§ 11371-11387, as amended, and the Rules and Regulations promulgated by HUD governing the conduct of ESG programs, found at Title 24 of the Code of Federal Regulations (“CFR”) Part 576, as amended, (the “Rules and Regulations”);

B. As provided in the Rules and Regulations, the City is authorized to contract by subgrant agreement with public entities or private non-profit entities for qualified activities and projects; and

C. Under this subgrant agreement the Subrecipient will be a subrecipient of ESG program funds in combination with General Funds from the City.

THEREFORE, in consideration of the mutual promises, payments and other provisions hereof, the City and the Subrecipient agree as follows:

1. **Content of this Agreement.** This agreement consists of this Part “General Provisions”, and the following listed attachments:

Attachment I - Scope of Work

Attachment II – Budget

2. **Project Responsibility.** The City’s Department of Community Development (“DCD”) is hereby designated as the representative of the City regarding all ESG Program matters and shall be responsible for the overall administration and management of that program and the manner in which the activities or projects described herein are conducted. The City will monitor the performance of the Subrecipient against goals and performance standards required in Attachment I - Scope of Work. Substandard performance as determined by the City will constitute non-compliance with the agreement. If, within a reasonable period of time after being notified by the City, Subrecipient does not take action to correct such substandard performance, City may initiate termination or suspension of the agreement, which may result in withdrawal or termination of funding, as set forth in Paragraphs 15 and 16 respectively.

3. **Project(s) or Activities.** The activities or projects to be conducted hereunder are generally described as follows and referred to hereinafter as the “Project”:

PROJECT  
TITLE  
RAPID REHOUSING

PROJECT  
TOTAL COSTS (\$)  
\$279,554.00

4. **Scope of Work.** The Subrecipient shall perform or cause to be performed all work required for the Project(s) described generally in Paragraph 2 above and, in that performance, shall be responsible for conducting all personnel staffing and contracting, providing all services, and furnishing all related real and personal property required. The Project(s) shall be performed in a manner satisfactory to DCD and in accordance with the provisions of this agreement. The more detailed Scope of Work contained in Attachment I is not intended to limit the scope of that work.

5. **Project Budget.**

- A. A budget must be prepared for each of the Projects listed in Paragraph 3 above and submitted to DCD for review and approval prior to the execution of this agreement. Budget(s) shall be prepared in a format acceptable to DCD and, in general, shall list the major cost elements of the Project and show the estimated cost of each of those elements equaling in sum total the fixed total project cost to be paid or reimbursed to the Subrecipient for that Project, as provided in Paragraph 3 above.
- B. All changes within the budget(s) shall be reported in a timely manner for acceptance and approval by DCD. All proposed changes in the total amount of any of the budget(s) under this agreement, which would increase or decrease the total amount of funding specified in Paragraph 8.A below or result in a change in the scope, location or beneficiaries of the Project shall be submitted to DCD for prior approval and must be formally authorized by a written amendment to this agreement in accordance with the provisions of Paragraph 10 below.

6. **Period of Performance.**

- A. The period of performance of this agreement shall be 12 months which period shall begin on March 1, 2015 and end on June 30, 2016. In the event the date on which this agreement is fully signed is more recent than the above beginning date, then this agreement shall be considered to be retroactive and to have taken effect on the above beginning date. All costs which are incurred on any of the Project(s) by the Subrecipient after the effective date of this agreement and which have been determined by DCD to be appropriate and allowable costs of the Project(s) shall be eligible for reimbursement and payment hereunder.
- B. This agreement may be extended at City's sole option for two additional twelve (12) month periods on the same terms and conditions and in such amount and budget as shall be attached to said written notice from City from Subrecipient; however, such extension does not permit Subrecipient to carry over funds from the budget attached hereto into such extension period. No extensions will be granted after expiration or termination of this Agreement.
- C. All performance of this agreement shall be undertaken and completed by the Subrecipient in an expeditious manner and shall not extend beyond the end of the Period of Performance specified in Paragraph 6.A above unless the Parties elect to

extend this Agreement as provided in Paragraph 6(B). All amendments of this agreement, including extensions of time and termination, shall be accomplished in writing and in accordance with all requirements of Paragraph 10.

D. All adjustments to extensions of time proposed for the performance of this agreement shall be requested in writing by the Subrecipient and be submitted to DCD for processing. Upon approval by the City Manager or designee, DCD shall add a signed, written endorsement to the Subrecipient's letter of request granting the adjustment or extension and that letter shall thereupon be appended hereto and shall be numbered and identified as a duly authorized written amendment of this agreement.

7. **Matching Funds.** The Subrecipient shall match the funds provided in this agreement as set forth in 24 CFR § 576.201. Eligibility of matching fund sources shall be subject to review and approval by the City. In the event City determines that the Subrecipient's match funds are not in compliance with HUD regulations, policies, or directives, the City may, in its sole discretion, either: i) suspend this agreement as provided in Paragraph 16 below; or ii) reduce the total funding amount set forth in Paragraph 8 below in an amount proportionate to the ineligible match funds.

## 8. **Funding Amount**

A. Subject to the requirements of this agreement the City will fund to the Subrecipient for the full performance of this agreement and the actual conduct of the Project(s) specified herein a total sub-grant amount of Two Hundred Seventy Nine Thousand Five Hundred and Fifty Four dollars for all Projects undertaken by the Subrecipient. The above stated fixed ceiling amount may be considered as a "not-to-exceed" amount but shall not be considered as an "estimate-of-cost", "percentage-of-cost" or any kind of "cost-plus" sum, price or amount. Also, as used in this agreement, unless the context indicates otherwise, the words "expend", "expended" and "expenditure" shall include all amounts obligated or committed by the Subrecipient by written agreement (including unilateral purchase orders) for expenditure on the Project(s).

B. The Subrecipient must make a concerted, good-faith effort to expend the total funding amount specified above within the Period of Performance stated in Paragraph 6. The Subrecipient's costs and expenditures, however, shall not exceed the total funding amount. The City shall not be liable for or reimburse the Subrecipient for any extra costs or overruns on the Project(s), or any additional funding in excess of the total amount stated above, without a prior written amendment of this agreement in accordance with Paragraph 10 below.

C. In the event the full funding amount to be paid or reimbursed hereunder by the City is not expended by the Subrecipient for project costs as specified in Attachment II by the end of the Period of Performance hereof, as that period may have been extended or otherwise changed, the Subrecipient shall refund, release or transfer any unexpended amount back to the City within 30 days after the end of the Period of Performance. Any project funds held by the City at the end of the Period of Performance or refunded,

released or transferred to the City shall be reallocated by the City. The Subrecipient shall be eligible to apply for these funds but shall have no greater priority than any other applicant.

- D. In the event congressional action, HUD rules and regulations, or other lawful directive involves modifying or reducing the funds and/or services obligated under this agreement, the Subrecipient shall, upon notice from the City, immediately modify, reduce the scope of, or cease expenditures as directed.
- E. The Subrecipient further agrees to utilize funds available under this agreement to supplement rather than supplant funds otherwise available.

## **9. Methods of Disbursement.**

- A. The Subrecipient will request payment from the City of that part of the funding amount stated in Paragraph 8 on a monthly basis for reimbursement payments during the course of the Project as the funds for the Project are expended.
- B. A request by the Subrecipient for monthly reimbursement payments on the Project shall be in a form and content as prescribed by DCD and shall be submitted to DCD for review and for a determination of eligibility for payment. Upon approval by DCD, submission of the request to the appropriate City offices and divisions for processing and payment will occur. Requests for payments shall be supported and documented as required by DCD on the basis of costs actually incurred by the Subrecipient on the Project during the period for which payment is requested.
- C. Expenditures under this agreement determined by the City or HUD to be ineligible for reimbursement or which are inadequately documented will be, upon written request, immediately refunded to the City by the Subrecipient.
- D. No requests for reimbursement or other payments under this agreement which are due to cost overruns of any kind on the Project(s) shall be approved, allowed or paid by the City unless the amount requested has been approved by a written amendment and authorized in accordance with the provisions of Paragraph 10.

## **10. Amendments.**

- A. Either of the parties hereto may request amendments to any of the provisions of this agreement at any time but no amendment shall be made or performed until it has been mutually agreed to by the parties. All amendments shall be in writing and executed prior to any work being done pursuant thereto, except that amendments in the Period of Performance may be authorized and given by the City as provided in Paragraph 6.C. above.
- B. The City may, in its discretion, amend this agreement to conform with federal, state or local governmental guidelines, policies and available funding amounts, or for other

reasons. If such amendments result in a change in the purpose, the scope of services, the location, or beneficiaries of the Project(s) to be undertaken as part of this agreement, such modifications will be incorporated only by written amendment signed by both City and Subrecipient.

11. **ESG Program Compliance.** The Subrecipient shall become familiar with and agrees to comply with the ESG program regulations set forth at 24 CFR Part 576 and applicable related federal regulations, including but not limited to 24 CFR Part 5, 24 CFR Part 84, and 24 CFR Part 85; and applicable Office of Management and Budget (OMB) Circulars referenced within the regulations. The Subrecipient also agrees to comply with all other applicable federal, state and local laws, regulations, and policies governing the funds provided under this Agreement.
12. **Consultation and Technical Assistance.** The City will be available to provide technical assistance upon written request of the Subrecipient or as the City deems necessary for improved project operation.
13. **Independent Contractor.** The relationship of City and Subrecipient under this Agreement shall be that of an independent contractor status. Each party shall have the entire responsibility to discharge all of the obligations of an independent contractor under federal, state and local law, including but not limited to, those obligations relating to employee supervision, benefits and wages; taxes; unemployment compensation and insurance; social security; worker's compensation; disability pensions and tax withholdings, including the filing of all returns and reports and the payment of all taxes, assessments and contributions and other sums required of an independent contractor. Nothing contained in this Agreement shall be construed to create the relationship between City and Subrecipient of employer and employee, partners or joint venturers.

The parties agree that Subrecipient's obligations under this Agreement are solely to the City. This Agreement shall not confer any rights to third parties unless otherwise expressly provided for under this Agreement.

#### 14. **Indemnification.**

- A. To the maximum extent allowed by law, the Subrecipient shall defend, indemnify, and save harmless Indemnitees from and against all charges that arise in any manner from, in connection with, or out of this Contract as a result of acts or omissions of the Subrecipient or subcontractors or anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable. In performing its duties under subsection (a) below, the Subrecipient shall at its sole expense, defend Indemnitees with legal counsel reasonably acceptable to the Grantee.
- B. **Waiver of Condition or Breach.** No action or failure to act by the Grantee shall constitute a waiver of any of its rights or remedies that arise out of this Contract, nor shall such action or failure to act constitute approval of or acquiescence in a breach thereunder,

except as may be specifically agreed in writing.

**C. Other Provisions Separate.** Nothing in this section shall affect any warranties in favor of the Grantee that are otherwise provided in or arise out of this Contract. This section is in addition to and shall be construed separately from any other indemnification provisions that may be in this Contract.

**D. Survival.** This section shall remain in force despite termination of this Contract (whether by expiration of the term or otherwise) and termination of the services of the Subrecipient under this Contract.

**15. Insurance and Bonding for contracts over \$50,000.00.**

**(1) General Insurance Requirements For All Policies**

A. Any insurance coverage required herein that is written on a “claims made” form rather than on an “occurrence” form shall (i) provide full prior acts coverage or have a retroactive date effective before the date of this Agreement, and (ii) be maintained for a period of at least three (3) years following the end of the term of this Agreement or contain a comparable “extended discovery” clause. Evidence of current extended discovery coverage and the purchase options available upon policy termination shall be provided to the City.

B. All policies of insurance shall be issued by insurance companies licensed to do business in the state of North

C. The Subrecipient shall furnish certificates of insurance, acceptable to the City, verifying compliance with the insurance requirements herein prior to the execution of this agreement. Subrecipient shall also provide updated certificates of insurance on or before the anniversary date of any of the evidenced policies throughout the life of this agreement.

D. In the event any work is subcontracted, the Subrecipient shall require its subcontractor, at no cost to the City, to secure and maintain all minimum insurance coverages required of the Subrecipient hereunder.

E. The Subrecipient'S insurance policies shall be primary and non-contributory to any other coverage available to the City. The workers' compensation, general liability and auto liability policies shall be endorsed with a waiver of subrogation in favor of the City.

F. In the event that governmental immunity limits are subsequently altered by legislation or judicial opinion, the Subrecipient shall provide a new certificate of insurance within thirty (30) days after being notified thereof in writing by the City, certifying coverage in compliance with the modified limits or, if no new limits are specified, in an amount acceptable to the City.

G. All required policies shall provide that coverage thereunder shall not be canceled or modified without providing (30) days prior written notice to the City in a manner approved by the City District Attorney.

H. In the event Subrecipient fails to maintain and keep in force any insurance policies as required herein City shall have the right at its sole discretion to obtain such coverage and reduce payments to Subrecipient for the costs of said insurance.

**(2) Required Insurance Policies.** Subrecipient, at its own cost, shall secure and maintain during the term of this Agreement, including all renewal terms, the following minimum insurance coverage:

A. Workers' compensation and employer's liability insurance as required by the State of North Carolina, unless a waiver of coverage is allowed and acquired pursuant to North Carolina law. This requirement includes contractors who are doing business as an individual and/or as a sole proprietor as well as corporations and partnerships. In the event any work is subcontracted, the Subrecipient shall require its subcontractor(s) similarly to provide workers' compensation insurance for all of the latter's employees, unless a waiver of coverage is allowed and acquired pursuant to North Carolina law.

B. Commercial general liability insurance, on an occurrence form, with the City as an additional insured, in the minimum amount of \$2,000,000 per occurrence with a \$4,000,000 general policy aggregate. The City of Durham shall be listed as a certificate holder in the following way:

City of Durham  
Department of Community Development  
807 East Main St. Bldg. 2 Suite 200  
Durham, NC 27701

The policy shall protect the City, the Subrecipient, and any subcontractor from claims for damages for personal injury, including accidental death, and from claims for property damage that may arise from the Subrecipient's operations under this Agreement, whether performed by the Subrecipient itself, any subcontractor, or anyone directly or indirectly employed or engaged by either of them. Such insurance shall provide coverage for premises operations, acts of independent contractors, and completed operations. The policy shall be primary and not contributing to any other policy or coverage available to the City whether such coverage be primary, contributing or excess.

— &/OR —

B. Professional liability insurance with a minimum policy limit of \$1,000,000 per occurrence. (The City is not to be an additional insured for professional liability insurance)

C. Commercial automobile liability insurance that provides coverage for owned, hired, and non-owned automobiles, in the minimum amount of \$100,000 per person,



\$300,000 per accident, \$50,000 per occurrence for property damage, or a single combined limit of \$500,000.

16. **Termination.** Either party may terminate this agreement at any time by giving written notice to the other party of such termination and specifying the effective date thereof at least 30 days before the effective date of such termination. Partial terminations of the Project(s) described in Paragraph 3 above may only be undertaken with the prior approval of the City. In the event of any termination for convenience, all finished or unfinished documents, data, studies, surveys, maps, models, photographs, reports or other materials prepared by the Subrecipient under this agreement shall, at the option of the City, become the property of the City, and the Subrecipient shall be entitled to receive just and equitable compensations for any satisfactory work completed on such documents or materials prior to the termination.
17. **Suspension.** The City may suspend this agreement, in whole or in part, if the Subrecipient materially fails to comply with any term of this agreement, or with any of the rules, regulations or provisions referred to herein; and the City may declare the Subrecipient ineligible for any further participation in the City's contracts, in addition to other remedies as provided by law.
18. **Records.** The Subrecipient shall maintain accurate financial and service delivery records pertinent to the activities to be funded under this agreement. Records shall be maintained for a period of five (5) years as set forth at 24 CFR § 576.500(y).
19. **Coordination with Other Targeted Homeless Services.** The Subrecipient shall coordinate and integrate, to the maximum extent practicable, ESG-funded activities with other programs targeted to homeless people in the area covered by the Continuum of Care or area over which the services are coordinated to provide a strategic, community-wide system to prevent and end homelessness for the area as set forth at 24 CFR § 576.400(b).
20. **System and Program Coordination with Mainstream Resources.** The Subrecipient must coordinate and integrate, to the maximum extent practicable, ESG-funded activities with mainstream housing, health, social services, employment, education, and youth programs for which families and individuals at risk of homelessness and homeless individuals and families may be eligible as set forth at 24 CFR § 576.400(c).
21. **Centralized or Coordinated Assessment.** The Subrecipient shall work with the Continuum of Care to ensure the screening, assessment and referral of program participants are consistent with the written standards required by the City. A victim service provider may choose not to use the Continuum of Care's centralized or coordinated assessment system as set forth at 24 CFR § 576.400(d).
22. **Client Evaluation.** The Subrecipient shall conduct an initial evaluation to determine the eligibility of each individual or family's eligibility for ESG assistance and the amount and types of assistance the individual or family needs to regain stability in permanent housing.

These evaluations must be conducted in accordance with the centralized or coordinated assessment requirements set forth under § 576.400(d) and the written standards established under § 576.400(e).

**23. Re-Evaluations for Rapid Re-Housing Assistance.**

The Subrecipient must re-evaluate the program participant's eligibility and the types and amounts of assistance the program participant needs not less than once annually for program participants receiving rapid re-housing assistance as outlined in 24 CFR § 576.401(b).

**24. Annual Income.** When determining the annual income of an individual or family, the Subrecipient must use the standard for calculating annual income under 24 CFR § 5.609 as outlined in 24 CFR § 576.401(c).

**25. Connecting program Participants to Mainstream and other Resources.** The Subrecipient must assist each program participant, as needed, to obtain appropriate supportive services as outlined in 24 CFR § 576.401(d).

**26. Housing Stability Case Management.** The Subrecipient must follow the requirements for housing stability case management outlined in 24 CFR § 576.401(e).

**27. Terminating Assistance.** If a program participant violates program requirements; the Subrecipient may terminate the assistance in accordance with a formal process established by the Subrecipient that recognizes the rights of individuals affected. The Subrecipient must exercise judgment and examine all extenuating circumstances in determining when violations warrant termination so that a program participant's assistance is terminated only in the most severe cases as outlined in 24 CFR § 576.402.

**28. Shelter and Housing Standards.**

**A. Lead-based Paint Remediation and Disclosure.** The Lead-Based Paint Poisoning Prevention Act (42 U.S.C 4821-4826), the residential lead-Based Paint Hazard reduction Act of 1993 (42 U.S.C. 4851-4856), and implementing regulations at 24 CFR Part 35, subparts A, B, H, J, K, M and R apply to all shelters assisted under ESG program and all housing occupied by program participants.

**B. Minimum Standards for Emergency Shelters.** Any building for which Emergency Solutions Grant funds are used for conversion, major rehabilitation, or other renovation, must meet state or local government safety and sanitation standards, as applicable, and the minimum safety, sanitation and privacy standards listed in 24 CFR § 576.403(b)(1-11).

**C. Minimum Standards for Permanent Housing.** The Subrecipient cannot use ESG funds to help a program participant remain or move into housing that does not meet the minimum habitability standards provided in 24 CFR § 576.403 (c)(1-10).

**29. Conflicts of Interest.**

**A. Organizational conflicts of Interest.** The provision of any type or amount of ESG assistance may not be conditioned on an individual's or family's acceptance or occupancy of emergency shelter or housing owned by the Subrecipient or a parent or subsidiary of the Subrecipient. The Subrecipient may not, with respect to individuals or families occupying housing owned by the Subrecipient, or any parent or subsidiary of the Subrecipient, carry out the initial evaluation required under § 576.401 or administer homelessness prevention assistance under § 576.103.

**B. Individual Conflicts of Interest.** For the procurement of goods and services, the Subrecipient must comply with the codes of conduct and conflict of interest requirements under 24 CFR § 85.36 (for governments) and 24 CFR § 84.42 (for private nonprofit organizations). For all other transaction and activities the Subrecipient must follow the restrictions listed in 24 CFR § 576.404(b)(1-3). All Contractors of the Subrecipient must comply with the same requirements of this section.

- 30. Participation of Homeless Persons in Policy-Making and Operations.** The Subrecipient understands they are required to involve not less than one homeless individual or formerly homeless individual on the board of directors or other equivalent policymaking entity of the agency, to the extent that the entity considers and makes policies and decisions regarding any facilities, services, or other assistance that receive funding under Emergency Solutions Grant. The Subrecipient also agrees that to the maximum extent practicable, they will involve, through employment, volunteer services, or otherwise, homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted under this agreement and in providing services for occupants of facilities assisted under this agreement as listed in 24 CFR § 576.405 in accordance with 42 U.S.C. 11375 (d) and 42 U.S.C. 11375 (c) (7).
- 31. Primarily Religious Organization.** If the Subrecipient is a primarily religious or faith-based organization, funds provided under this agreement are subject to the provisions of 24 CFR § 576.406.
- 32. Displacement, Relocation and Acquisition.** Consistent with the other goals and objectives of Emergency Solutions Grant, the Subrecipient agrees to assure that they have taken all reasonable steps to minimize the displacement of persons (families, individuals, businesses, nonprofit organizations, and farms) as a result of a project assisted under this program. Subrecipient will comply with all requirements regarding displacement relocation and acquisition listed in 24 CFR §576.408.
- 33. Recordkeeping and Reporting Requirements.** The Subrecipient shall have written policies and procedures to ensure the requirements of the ESG program are met and shall maintain sufficient records to document homeless status, at risk of homelessness status, determination of ineligibility, annual income, program participant records documenting eligible status, evidence of the use of the centralized or coordinated assessment systems and procedures, rental assistance agreements and payments, monthly allowance for utilities used to determine compliance with rent restriction, compliance with shelter and housing

standards, records of the emergency shelter facilities assisted, services and assistance provided for each type of service, coordination with Continuum of Care and other programs, participation in HMIS, matching contributions for the matching requirement in §576.201 and all other requirements listed in 24 CFR § 570.500. Such information shall be made available to City for monitoring purposes upon request.

34. **Confidentiality.** The Subrecipient understands that client information collected under this agreement is private and the use or disclosure of such information, when not directly connected with the administration of the City's or Subrecipient's responsibilities with respect to services provided under this agreement, is prohibited without lawful court order unless written consent is obtained from such person receiving service and, in the case of a minor, that of a responsible parent/guardian. The Subrecipient shall ensure the confidentiality of client data pertaining to the provision of family violence prevention or treatment services as listed in 24 CFR 576.500(x).
35. **Close-Outs.** The Subrecipient's obligation to the City shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to the City), and determining the custodianship of records.
36. **Audits & Inspections.** All Subrecipient records with respect to any matters covered by this Agreement shall be made available to the City, grantor agency, their designees or the federal government, at any time during normal business hours, as often as the City or grantor agency deems necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the Subrecipient within a time period as agreed upon by the City and the Subrecipient after receipt by the Subrecipient. Failure of the Subrecipient to comply with the above audit requirements will constitute a violation of this Agreement and may result in the withholding of future payments or refunding of payments to the City. The Subrecipient hereby agrees to have an annual agency audit conducted in accordance with current City policy concerning Subrecipient audits; and, as applicable, OMB Circular A-133.
37. **Progress Reports.** During the actual conduct of the Project, the Subrecipient shall prepare and submit to DCD every three months or when specifically requested by DCD, a Quarterly Performance Report (QPR) from the HMIS System on the Performance of Project. In addition, the Subrecipient will provide quarterly information of the costs and contractual commitments incurred to date that have been charged to that project up to the date of each report.
38. **Other Federal Requirements.**
  - A. **Prohibited Activities.** The Subrecipient is prohibited from using funds provided herein or personnel employed in the administration of the program for political activities, sectarian or religious activities, lobbying, political patronage, and nepotism.

- B. Non-discrimination and Equal Opportunity.** The Subrecipient, and all persons acting on its behalf, agree that they shall comply with the non-discrimination and equal opportunity requirements set forth in 24 CFR § 5.105(a) and with all federal, state and City laws governing discrimination, and they shall not discriminate in the application, screening, employment, participation, or any other involvement of any person in relation to any phase of the Project(s).
- C. “Section 3” Compliance.** The Subrecipient, and any of the Subrecipient’s subrecipients and subcontractors, shall comply with the provisions of Section 3 of the Housing and Urban Development Act, as set forth in 24 CFR Part 135. The Subrecipient certifies and agrees that no contractual or other disability exists which would prevent compliance with these requirements. The Subrecipient will include this Section 3 clause in every subcontract and will take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the grantor agency. The Subrecipient will not subcontract with any entity where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR Part 135 and will not let any subcontract unless the entity has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.
- D. Affirmative Outreach.** The Subrecipient must make known that use of the facilities, assistance, and services are available to all on a nondiscriminatory basis. If it is unlikely that the procedures that the recipient or subrecipient intends to use to make known the availability of the facilities, assistance, and services will to reach persons of any particular race, color, religion, sex, age, national origin, familial status, or disability who may qualify for those facilities and services, the recipient or subrecipient must establish additional procedures that ensure that those persons are made aware of the facilities, assistance, and services. The recipient and its subrecipients must take appropriate steps to ensure effective communication with persons with disabilities including, but not limited to, adopting procedures that will make available to interested persons information concerning the location of assistance, services, and facilities that are accessible to persons with disabilities. Consistent with Title VI and Executive Order 13166, recipients and subrecipients are also required to take reasonable steps to ensure meaningful access to programs and activities for limited English proficiency (LEP) persons.
- E. Uniform Administrative Requirements.** The requirements of 24 CFR part 85 apply to the recipient and subrecipients that are units of general purpose local government, except that 24 CFR 85.24 and 85.42 do not apply, and program income is to be used as match under 24 CFR 85.25(g). The requirements of 24 CFR part 84 apply to subrecipients that are private nonprofit organizations, except that 24 CFR 84.23 and 84.53 do not apply, and program income is to be used as the nonfederal share under 24 CFR 84.24(b). These regulations include allowable costs and non-Federal audit requirements.

- F. Environmental Review Responsibilities.** The Subrecipient shall **not** be required to assume the environmental responsibilities described at 24 CFR Part 50 or the review process under 24 CFR Part 52. The City will be responsible for environmental review compliance.
- G. David-Bacon Act.** The provisions of the Davis-Bacon Act (40 U.S.C. 276a to 276a-5) do not apply to the ESG Program.
- H. Procurement of Recovered Materials.** The Subrecipient must comply with Section 6002 of the Solid Waste Disposal Act as listed in 24 CFR 576.407(f).
- I. Hatch Act.** The Subrecipient agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V United States Code.
- J. Lobbying.** The Subrecipient hereby certifies that:
- i. No federally appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan or cooperative agreement;
  - ii. If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this federal contact, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions;
  - iii. It will require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subawards shall certify and disclose accordingly; and
  - iv. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000

and not more than \$100,000 for each such failure.

- 39. Assignments and Contracting.** The responsibility for the performance of this agreement shall not be assigned, transferred or contracted out by the Subrecipient without the prior written consent of the City. Contracts or purchase orders by the Subrecipient for the acquisition of equipment, materials, supplies or services for the Project do not require the consent of the City but shall be done in accordance with the competitive bidding requirements of this Agreement and any applicable state laws and local government ordinances.
- 40. Subcontracts.** The Subrecipient shall not enter into any subcontracts with any agency or individual in the performance of this Agreement without the consent of the City prior to the execution of such subcontract. The Subrecipient will monitor all subcontracted services on a regular basis to assure contract compliance. Results of monitoring efforts shall be summarized in written reports and supported with documented evidence of follow-up actions taken to correct areas of noncompliance. The Subrecipient shall cause all of the provisions of this agreement in its entirety to be included in and made a part of any subcontract executed in the performance of this Agreement. The Subrecipient shall undertake to insure that all subcontracts let in the performance of this agreement shall be awarded on a fair and open competition basis. Executed copies of all subcontracts shall be forwarded to the City along with documentation concerning the selection process.
- 41. Ethical Standards.** Subrecipient represents that it has not: (a) provided an illegal gift or payoff to any City officer or employee, or former City officer or employee, or to any relative or business entity of a City officer or employee, or relative or business entity of a former City officer or employee; (b) retained any person to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, other than bona fide employees of bona fide commercial agencies established for the purpose of securing business; (c) breached any of the ethical standards set forth in State statute or Durham City's Ethics, Gifts and Honoraria ordinance (Chapter 2.07, Durham City Code of Ordinances, 2001); or (d) knowingly influenced, and hereby promises that it will not knowingly influence, any City officer or employee or former City officer or employee to breach any of the ethical standards set forth in State statute or Durham City ordinances.
- 42. Campaign Contributions.** Subrecipient acknowledges the limits on campaign contributions by contractors to City candidates, pursuant to Chapter 2.72A, Durham City Code of Ordinances (2001). Subrecipient further acknowledges that violating campaign contribution limitations may result in criminal sanctions as well as termination of this Agreement. Subrecipient represents, by executing this Agreement, that Subrecipient has not made or caused others to make any campaign contribution to any City candidate in violation of the above-referenced City ordinance.
- 43. Public Funds and Public Monies.**

**A. Definitions.** "Public funds" and "public monies" mean monies, funds, and

accounts, regardless of the source from which they are derived, that are owned, held, or administered by the state or any of its boards, commissions, institutions, departments, divisions, agencies, bureaus, laboratories, or other similar instrumentalities, or any City, County, school district, political subdivision, or other public body. The terms also include monies, funds or accounts that have been transferred by any of the aforementioned public entities to a private contract provider for public programs or services. Said funds shall maintain the nature of “public funds” while in Subrecipient’s possession.

**B. Subrecipient’s Obligation.** Subrecipient, as recipient of “public funds” and “public monies” pursuant to this and other contracts related hereto, expressly understands that it, its officers, and employees are obligated to receive, keep safe, transfer, disburse and use these “public funds” and “public monies” as authorized by law and this Agreement for the provision of services to City of Durham. Subrecipient expressly understands that City may monitor the expenditure of public funds by Subrecipient. Subrecipient expressly understands that City may withhold funds or require repayment of funds from Subrecipient for contract noncompliance, failure to comply with directives regarding the use of public funds, or for misuse of public funds or monies.

- 44. Survival of Provisions.** The parties to this agreement specifically agree that all the paragraphs, terms, conditions and other provisions of this agreement that requires some action to be taken by either or both of the parties upon or after the expiration or termination hereof shall survive the expiration or termination of this agreement and shall be completed, taken or performed as provided herein or as may be required under the circumstances at that time.
- 45. E-Verify Compliance.** The contractor represents and covenants that the contractor and its subcontractors comply with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes (NCGS). In this E-Verify Compliance section, "contractor," "its subcontractors," and "comply" shall have the meanings intended by NCGS 160A-20.1(b). The City is relying on this section in entering into this contract. The parties agree to this section only to the extent authorized by law. If this section is held to be unenforceable or invalid in whole or in part, it shall be deemed amended to the extent necessary to make this contract comply with NCGS 160A-20.1(b). This section is valid only if it is in a contract subject to NCGS 143-129.



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IN WITNESS WHEREOF, each of the parties has caused this Agreement to be approved by its governing body or board and to be duly executed as follows:

**CITY OF DURHAM:**

By: \_\_\_\_\_  
Thomas J. Bonfield, City Manager (date)

**ATTEST: DURHAM**

By \_\_\_\_\_  
D. Ann Gray, City Clerk (date)

**STATE of NORTH CAROLINA  
COUNTY of DURHAM**

I, a Notary Public in and for the aforesaid County and State certify that \_\_\_\_\_ personally appeared before me this day, and acknowledged that she is the City Clerk of the **City of Durham**, a municipal corporation, and that by authority duly given and as the act of the City, the foregoing contract was signed in its corporate name by its City Manager, sealed with its corporate seal, and attested by its said City Clerk. This the \_\_\_\_\_ day of \_\_\_\_\_, 20 .

Notary Public: \_\_\_\_\_

My Commission Expires: \_\_\_\_\_

**Pre-Audit Certification**

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act. This the \_\_\_\_\_ day of \_\_\_\_\_, 20 .

\_\_\_\_\_  
City of Durham, Finance Officer (date)

**SUBRECIPIENT**

HOUSING FOR NEW HOPE , INC.

By: \_\_\_\_\_  
Adrian Brown, Chair (Date)

**ATTEST**

By \_\_\_\_\_  
Katie Crowe, Secretary (Date)

**NORTH CAROLINA  
DURHAM COUNTY**

I, a Notary Public in and for the aforesaid County and State, certify that \_\_\_\_\_ personally appeared before me this day and stated that he or she is \_\_\_\_\_ Secretary of \_\_\_\_\_, a corporation, and that by authority duly given and as the act of the corporation, the foregoing contract with the City of Durham was signed in its name by its Governing Board Chairperson, whose name is \_\_\_\_\_, sealed with its corporate seal, and attested by him/herself as its said Secretary or Assistant Secretary.

This the \_\_\_\_\_ day of \_\_\_\_\_, 20 .

Notary Public: \_\_\_\_\_

My Commission Expires: \_\_\_\_\_

## **ATTACHMENT I**

SUBRECIPIENT:

HOUSING FOR NEW HOPE, INC.

PROJECT:

RAPID REHOUSING

### **PROJECT SCOPE OF WORK**

This attachment is a supplement to the general work statement contained in Paragraph 4 of this Agreement. Therefore, in addition to the general work required to be done under that paragraph, which applies to all projects to be conducted under this Agreement, the particular work to be performed for this Project is as follows:

**Program Activity and Reference: ESG-Rapid Rehousing  
IDIS Matrix Code: 21A**

### **NATURE AND SCOPE OF PROJECT**

The Housing for New Hope Rapid re-housing program serves individuals and families experiencing homelessness who need time-limited assistance in order to get and keep housing. The program reduces the length of time people experience homelessness, minimizes the impact of homelessness on their lives, and facilitates their access to resources in the community. The Housing for New Hope Rapid re-housing program will use a relatively light-touch approach to financial assistance and supportive services, seeking to provide just enough assistance to help people get back into housing, while being available to offer additional support or connections to other resources and programs if more help is needed. The program will develop collaborative relationships with homeless housing and other service providers throughout Durham. The program will engage private landlords with vacant units and partner with them to transition people experiencing homelessness into housing.

Objective 1: Ending Homelessness (HUD System Measure 7b)
<i>Outcome Measure 1:</i> A minimum of 90% of project participants exit program to permanent destinations (HUD Defined).
Objective 2: Targeting
<p><i>Outcome Measure 1:</i> 100% of project participants will be Literally Homeless be eligible under Category One of HUD’s definition of homelessness (24CFR Parts 91, 582, &amp; 583)</p> <p><i>Outcome Measure 2:</i> 100% of project staff providing direct client assistance will complete training to administer the Vulnerability Index Service Prioritization Decision Assistance Tool (VI-SPDAT)</p> <p><i>Outcome Measure 3:</i> 100% of project participants who are designated as Head of Household (HOH) will be administered the Vulnerability Index Service Prioritization Decision Assistance Tool (VI-SPDAT) prior to project entry.</p> <p><i>Outcome Measure 4:</i> 95% of project participants who are formally admitted to the Rapid Rehousing Program will score between 5-9 on the VI-SPDAT</p> <p><i>Outcome Measure 5:</i> 90% of households served will be Households with at least one adult 18 years old or older and one child below 18 years old</p> <p><i>Outcome Measure 6:</i> 90% of households served will have a State of North Carolina issued Driver’s License or Identification Card with a Durham County address with an issued date no less than six months prior to program entry</p>
Objective 3: Efficiency, Compliance, & Program Fidelity
<p><i>Outcome Measure 1:</i> 100% of project participants who are the Head of Household (HOH) will be administered an approved financial assistance determination tool that determines the amount and duration of financial assistance the household will receive during program enrollment.</p> <p><i>Outcome Measure 2:</i> A ratio not to exceed 25:1 (actively enrolled participants to case manager) will be maintained during participant program enrollment.</p> <p><i>Outcome Measure 3:</i> 100% of units to which program participants are housed will be inspected and will meet City of Durham Minimum housing code.</p>
Objective 4: Data Management and Homeless Management Information System (HMIS)

*Outcome Measure 1:* 100% of all project participants (to include all household members) will be entered into the Homeless Management Information System (HMIS).

*Outcome Measure 2:* 100% of Universal and Program Data Elements outlined in the 2014 HUD Data Standards Program Manual will be completed in the HMIS (Non-null values)

*Outcome Measure 3:* 100% of Heads of Households will receive monthly housing stabilization case management support which will be documented in the HMIS system.

#### Objective 5: Landlord Engagement & Retention

*Outcome Measure 1:* A minimum of 25 landlords will be engaged by the program and agree to lease units to program participants.

*Outcome Measure 2:* 100% of Landlords leasing housing to program participants will be administered a landlord partner survey quarterly.

*Outcome Measure 3:* 75% of Landlord Partners will indicate satisfactory or better rating on the quarterly landlord survey and be willing to accept new participants into the program

## **ATTACHMENT II**

SUBRECIPIENT:

HOUSING FOR NEW HOPE, INC

PROJECT:

RAPID REHOUSING

### **PROJECT BUDGET**

- I. Estimated Total Project Cost ..... **\$555,873.00**
- II. Budgeted ESG Expenditures:
  - a. Case Management.....\$79,554.00

**TOTAL ESG EXPENDITURES: ..... \$79,554.00**

- III. Budgeted City General Fund Expenditures:
  - a. Direct Client Assistance .....\$185,000.00
  - b. Administration .....\$15,000.00

**TOTAL GENERAL FUND EXPENDITURES: ..... \$200,000.00**

- IV. Source of Matching Funds:
  - a. Stewards Fund .....\$100,000.00
  - b. Fletcher Foundation .....\$50,000.00
  - c. Other Foundation .....\$75,000.00
  - d. Congregations/Contributions .....\$50,319.00

**TOTAL MATCHING FUNDS: ..... \$275,319.00**

- V. Budgeted Matching Fund Expenditures:
  - a. Direct Client Assistance .....\$61,691.00
  - b. Case Management.....\$118,161.00
  - b. Administration .....\$35,365.00

In no case will reimbursement exceed Subrecipient's actual costs. Subrecipient will maintain records necessary for justification and verification of such costs.

FINAL BILLINGS ARE DUE TO DCD WITHIN 30 DAYS OF THE COMPLETION OF THE PROJECT OR WITHIN 90 DAYS AFTER THE END OF THE PERIOD OF PERFORMANCE WHICHEVER IS EARLIER.